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MOUNTAIN-PLAINS INFORMATION OFFICE: Kansas City, Mo.

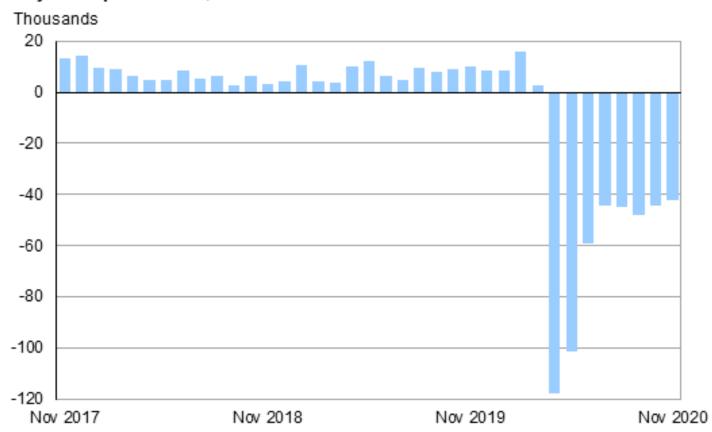
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Kansas City Area Employment – November 2020

Total nonfarm employment for the Kansas City, MO-KS Metropolitan Statistical Area decreased by 42,100 over the year in November, the U.S. Bureau of Labor Statistics reported today. (See chart 1 and table 1.) Regional Commissioner Michael Hirniak noted that the local rate of job loss, 3.8 percent, compared to the 6.0-percent national decline. (The Technical Note at the end of this release contains metropolitan area definitions. All data in this release are not seasonally adjusted; accordingly, over-the-year analysis is used throughout.)

Chart 1. Over-the-year net change for total nonfarm employment in the Kansas City metropolitan area, November 2017–November 2020



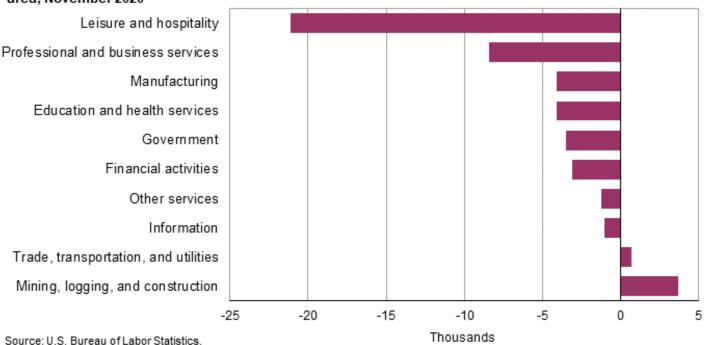
Source: U.S. Bureau of Labor Statistics.

The Kansas City Metropolitan Statistical Area is made up of two separately identifiable employment centers within the larger metropolitan area—the Missouri portion and the Kansas portion of the MSA. Employment declined over the year in both portions of the metropolitan area. The Missouri portion, which accounts for 55 percent of the area's total nonfarm employment, lost 25,400 jobs, while the Kansas portion lost 16,700 jobs.

Industry employment

In the greater Kansas City area, two supersectors had statistically significant declines in employment from November 2019 to November 2020. Leisure and hospitality had the largest loss (-21,100), with both portions of the metropolitan area recording declines. (See chart 2.) The 19.0-percent decline in Kansas City's leisure and hospitality supersector compared to the 19.8-percent loss on a national level. Within the leisure and hospitality supersector, most of the losses were in accommodation and food services (-16,200). Losses in this subsector numbered 10,600 in the Missouri portion and 5,600 in the Kansas portion.

Chart 2. Over-the-year net change for industry supersector employment in the Kansas City metropolitan area, November 2020



Financial activities lost 3,100 jobs over the year in the local area. The Missouri portion of the metropolitan area was responsible for the majority of the jobs lost in this industry, declining by 2,600. The local area had a 3.9-percent loss compared to the 0.8-percent decline for the nation.

Two industry subsectors also had statistically significant declines in employment: health care and social assistance and management of companies and enterprises. The Kansas City, KS portion of the area lost 3,000 out of the 5,000 health care and social assistance jobs lost in the greater metropolitan area. Management of companies and enterprises lost 1,900 jobs in the Kansas City metropolitan area. The majority of the losses came from the Missouri portion, which lost 1,100 jobs.

The Metropolitan Area Employment and Unemployment release for December 2020 is scheduled to be released on Wednesday, February 3, 2021, at 10:00 a.m. (ET).

Coronavirus (COVID-19) Pandemic Impact on November 2020 Establishment Survey Data

BLS has continued to review all estimation and methodological procedures for the establishment survey, which included the review of data, estimation processes, the application of the birth-death model, and seasonal adjustment. Business births and deaths cannot be adequately captured by the establishment survey as they occur. Therefore, the Current Employment Statistics (CES) program uses a model to account for the relatively stable net employment change generated by business births and deaths. Due to the impact of COVID-19, the relationship between business births and deaths is no longer stable. Typically, reports with zero employment are not included in estimation. For the October final and November preliminary estimates, CES included a portion of these reports in the estimates and made modifications to the birth-death model. In addition for both months, the establishment survey included a portion of the reports that returned to reporting positive employment from reporting zero employment. For more information, see www.bls.gov/web/empsit/cesbd.htm.

In the establishment survey, workers who are paid by their employer for all or any part of the pay period including the 12th of the month are counted as employed, even if they were not actually at their jobs. Workers who are temporarily or permanently absent from their jobs and are not being paid are not counted as employed, even if they are continuing to receive benefits. The length of the reference period does vary across the respondents in the establishment survey; one-third of businesses have a weekly pay period, slightly over 40 percent a bi-weekly, about 20 percent semi-monthly, and a small amount monthly.

Technical Note

This release presents nonfarm payroll employment estimates from the Current Employment Statistics (CES) program. The CES survey is a Federal-State cooperative endeavor between State employment security agencies and the Bureau of Labor Statistics.

Definitions. Employment data refer to persons on establishment payrolls who receive pay for any part of the pay period which includes the 12th of the month. Persons are counted at their place of work rather than at their place of residence; those appearing on more than one payroll are counted on each payroll. Industries are classified on the basis of their principal activity in accordance with the 2017 version of the North American Industry Classification System.

Method of estimation

CES State and Area employment data are produced using several estimation procedures. Where possible these data are produced using a "weighted link relative" estimation technique in which a ratio of current-month weighted employment to that of the previous-month weighted employment is computed from a sample of establishments reporting for both months. The estimates of employment for the current month are then obtained by multiplying these ratios by the previous month's employment estimates. The weighted link relative technique is utilized for data series where the sample size meets certain statistical criteria.

For some employment series, the sample of establishments is very small or highly variable. In these cases, a model-based approach is used in estimation. These models use the direct sample estimates (described above), combined with forecasts of historical (benchmarked) data to decrease volatility in estimation. Two different

models (Fay-Herriot Model and Small Domain Model) are used depending on the industry level being estimated. For more detailed information about each model, refer to the BLS Handbook of Methods at www.bls.gov/opub/hom/pdf/ces-20110307.pdf.

Annual revisions. Employment estimates are adjusted annually to a complete count of jobs, called benchmarks, derived principally from tax reports which are submitted by employers who are covered under state unemployment insurance (UI) laws. The benchmark information is used to adjust the monthly estimates between the new benchmark and the preceding one and also to establish the level of employment for the new benchmark month. Thus, the benchmarking process establishes the level of employment, and the sample is used to measure the month-to-month changes in the level for the subsequent months.

Reliability of the estimates. The estimates presented in this release are based on sample surveys, administrative data, and modeling and, thus, are subject to sampling and other types of errors. Sampling error is a measure of sampling variability—that is, variation that occurs by chance because a sample rather than the entire population is surveyed. Survey data also are subject to nonsampling errors, such as those which can be introduced into the data collection and processing operations. Estimates not directly derived from sample surveys are subject to additional errors resulting from the specific estimation processes used. The sums of individual items may not always equal the totals shown in the same tables because of rounding.

Employment estimates. Measures of sampling error for the total nonfarm employment series are available for metropolitan areas and metropolitan divisions at www.bls.gov/sae/additional-resources/reliability-of-state-and-area-estimates.htm. Measures of sampling error for more detailed series at the area and division level are available upon request. Measures of sampling error for states at the supersector level and for the private service-providing, goods-producing, total private and total nonfarm levels are available on the BLS website at www.bls.gov/sae/additional-resources/reliability-of-state-and-area-estimates.htm. Information on recent benchmark revisions is available online at www.bls.gov/web/laus/benchmark.pdf.

Area definitions. The substate area data published in this release reflect the standards and definitions established by the U.S. Office of Management and Budget on April 10, 2018. A detailed list of the geographic definitions is available at www.bls.gov/lau/lausmsa.htm.

The Kansas City, MO-KS Metropolitan Statistical Area (MSA) includes Bates, Caldwell, Cass, Clay, Clinton, Jackson, Lafayette, Platte, and Ray Counties in Missouri; Johnson, Leavenworth, Linn, Miami, and Wyandotte Counties in Kansas.

The Kansas City, MO, portion includes Bates, Caldwell, Cass, Clay, Clinton, Jackson, Lafayette, Platte, and Ray Counties.

The Kansas City, KS, portion includes Johnson, Leavenworth, Linn, Miami, and Wyandotte Counties.

Additional information

Employment data from the CES program are available on the BLS website at www.bls.gov/sae/.

Information in this release will be made available to individuals with sensory impairments upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

Table 1. Employees on nonfarm payrolls by industry supersector, the United States and the Kansas City metropolitan area and its components, not seasonally adjusted (numbers in thousands)

Area and Industry	Nov 2019	Sep 2020	Oct 2020	Nov 2020(p)	Nov 2019 to Nov 2020(p)	
					Net change	Percent change
United States						
Total nonfarm	153,177	141,901	143,488	144,005	-9,172	-6.0
Mining and logging	729	628	629	628	-101	-13.9
Construction	7,609	7,424	7,512	7,430	-179	-2.4
Manufacturing	12,871	12,205	12,220	12,257	-614	-4.8
Trade, transportation, and utilities	28,350	26,459	26,827	27,407	-943	-3.3
Information	2,900	2,630	2,620	2,628	-272	-9.4
Financial activities	8,805	8,683	8,726	8,735	-70	-0.8
Professional and business services	21,727	20,273	20,659	20,709	-1,018	-4.7
Education and health services	24,682	23,148	23,485	23,590	-1,092	-4.4
Leisure and hospitality	16,439	13,214	13,372	13,189	-3,250	-19.8
Other services	5,911	5,445	5,501	5,498	-413	-7.0
Government	23,154	21,792	21,937	21,934	-1,220	-5.3
Kansas City, MO-KS, MSA						
Total nonfarm	1,110.2	1,053.1	1,062.3	1,068.1	-42.1	-3.8
Mining, logging, and construction	54.5	57.4	58.7	58.2	3.7	6.8
Manufacturing	79.3	74.6	71.1	75.2	-4.1	-5.2
Trade, transportation, and utilities	222.8	216.3	219.2	223.5	0.7	0.3
Information	16.0	14.8	14.8	15.0	-1.0	-6.3
Financial activities	79.1	73.9	74.9	76.0	-3.1	-3.9
Professional and business services	193.4	183.0	186.8	185.0	-8.4	-4.3
Education and health services	158.8	151.6	153.5	154.7	-4.1	-2.6
Leisure and hospitality	111.3	92.7	92.1	90.2	-21.1	-19.0
Other services	42.8	41.5	41.8	41.6	-1.2	-2.8
Government	152.2	147.3	149.4	148.7	-3.5	-2.3
Kansas City, MO, portion						
Total nonfarm	616.6	583.7	585.1	591.2	-25.4	-4.1
Mining, logging, and construction	31.1	33.9	34.8	34.3	3.2	10.3
Manufacturing	47.4	43.6	40.0	44.5	-2.9	-6.1
Trade, transportation, and utilities	114.2	109.1	110.8	113.4	-0.8	-0.7
Information	8.8	8.4	8.4	8.5	-0.3	-3.4
Financial activities	41.2	37.1	37.8	38.6	-2.6	-6.3
Professional and business services	100.3	96.1	97.2	96.0	-4.3	-4.3
Education and health services	88.0	83.4	84.7	86.0	-2.0	-2.3
Leisure and hospitality	68.1	56.2	55.0	54.2	-13.9	-20.4
Other services	25.6	25.6	25.9	25.7	0.1	0.4
Government	91.9	90.3	90.5	90.0	-1.9	-2.1
Kansas City, KS, portion						
Total nonfarm	493.6	469.4	477.2	476.9	-16.7	-3.4
Mining, logging, and construction	23.4	23.5	23.9	23.9	0.5	2.1
Manufacturing	31.9	31.0	31.1	30.7	-1.2	-3.8
Trade, transportation, and utilities	108.6	107.2	108.4	110.1	1.5	1.4
Information	7.2	6.4	6.4	6.5	-0.7	-9.7
Financial activities	37.9	36.8	37.1	37.4	-0.5	-1.3
Professional and business services	93.1	86.9	89.6	89.0	-4.1	-4.4
Education and health services	70.8	68.2	68.8	68.7	-2.1	-3.0
Leisure and hospitality	43.2	36.5	37.1	36.0	-7.2	-16.7
Other services	17.2	15.9	15.9	15.9	-1.3	-7.6
Government	60.3	57.0	58.9	58.7	-1.6	-7.0 -2.7

Footnotes

(p) Preliminary